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UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re: : Chapter 11
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RANDALL'S ISLAND FAMILY GOLF : Case Nos. 00 B 41065 (SMB)
CENTERS, INC., et al., : through 00 B 41196 (SMB)
:
Debtors. : (Jointly Administered)
:
- - - - - x

STIPULATION AND ORDER REGARDING REJECTION AND
TERMINATION OF SACRAMENTO LEASE

This Stipulation and Order (the "Stipulation") is entered into as of December 22, 2000 by and between Sacramento Family Golf Centers, Inc. ("Sacramento Golf") and the Chase Israelson Family Revocable Trust (the "Landlord").

WHEREAS, on May 4, 2000 (the "Filing Date"), Sacramento Golf and each of the above-captioned debtors and debtors-in-possession (collectively, the "Debtors") filed with this Court separate voluntary petitions for relief under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code"). By order of this Court dated as of the Filing Date, the Debtors' chapter 11 cases are being jointly administered; and

WHEREAS, Sacramento Golf is party to that certain Ground Lease (the "Sacramento Lease"), dated January 18, 1995, as

amended, by and between the Landlord and Scomyr Incorporated, as predecessor-in-interest to Sacramento Golf, for certain real property located at 3075 Redding Avenue, Sacramento, California (the "Sacramento Property"); and

WHEREAS, the Debtors have determined to terminate their operations pertaining to the Sacramento Property; and

WHEREAS, the Debtors desire to reject and terminate the Sacramento Lease and abandon all personal property owned by the Debtors and located on the Sacramento Property and have such termination be deemed effective as of the date the Debtors turn over the keys to the Sacramento Property to the Landlord; and

WHEREAS, in consideration of the Debtors' rejection and termination of the Sacramento Lease, the Landlord has agreed to waive all claims it has or may have against the Debtors, including, without limitation, all claims for prepetition and postpetition rent, additional rent, real estate taxes and fees, rejection damage claims under section 502(b)(6) of the Bankruptcy Code and all other claims or damages, known or unknown, which may have arisen or could arise under the Sacramento Lease (collectively, the "Landlord's Claims") subject to the terms and conditions set forth below; and

WHEREAS, the Debtors have determined in their business judgment that rejection and termination of the Sacramento Lease and the receipt of a waiver of the Landlord's Claims is in the best interests of the Debtors, their estates and their creditors;

NOW, THEREFORE, in consideration of the mutual promises, pledges, covenants, and agreements contained herein and

for other good and valuable consideration, the parties hereto, intending to be legally bound, agree as follows:

1. The Debtors hereby reject the Sacramento Lease pursuant to section 365 of the Bankruptcy Code and the Sacramento Lease shall terminate, effective as of January 5, 2001 (the "Effective Date").

2. The Debtors, with the consent of The Chase Manhattan Bank, as administrative agent for the several lenders from time to time party to that certain Credit Agreement dated as of December 2, 1998, as amended and restated as of October 15, 1999, hereby abandon to the Landlord, pursuant to section 554 of the Bankruptcy Code, all personal property owned by the Debtors and located on the Sacramento Property, effective as of the Effective Date.

3. The Landlord shall not be entitled to any personal property leased by the Debtors and located on the Sacramento Property (the "Leased Property"). To the extent the lessors of the Leased Property have not removed the Leased Property from the Sacramento Property as of the Effective Date, such lessors are entitled to enter the Sacramento Property and remove the Leased Property after the Effective Date.

4. The Landlord shall not be entitled to any additional payment in the Debtors' chapter 11 cases arising from or related to the Landlord's Claims.

5. This Stipulation shall only become binding upon the parties hereto upon the approval of this Stipulation by the Court. In the event that the Court does not approve this

Stipulation, this Stipulation shall not have any force or effect, and nothing contained herein shall be deemed to be an admission or concession of, or be in any way binding upon, any party hereto in connection with any future litigation over the Landlord's Claims.

6. No alterations, modifications, supplements, changes, amendments, waivers, or termination of this Stipulation shall be valid unless in writing and executed by all of the parties hereto. No waiver of any of the provisions of this Stipulation shall constitute a waiver of any other provisions (whether or not similar).

7. This Stipulation shall be governed by and construed in accordance with the laws of the State of New York, without giving effect to any choice of law or conflict of law provision or rule that would cause the application of the laws of any other jurisdiction.

8. This Stipulation shall be binding upon and inure to the benefit of the parties hereto, their parents, subsidiaries and affiliated corporations, their successors and assigns (including any third party purchaser) and each of their agents, representatives, and successors and assigns, including any subsequently appointed chapter 7 or chapter 11 trustee or examiner.

9. This Stipulation contains the entire agreement of the parties hereto, and supersedes all prior and contemporaneous discussions, negotiations, understandings, and agreements, whether oral or written, expressed or implied, between and among

the parties hereto regarding the subject matter of this Stipulation.

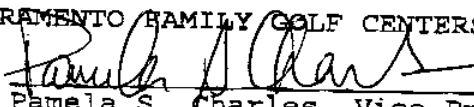
10. This Stipulation may be executed in any number of counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

11. The Bankruptcy Court shall retain jurisdiction to hear any matters or disputes arising from or relating to this Stipulation.

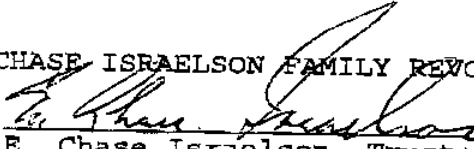
IN WITNESS WHEREOF, the parties hereto duly executed
and delivered this Stipulation as of the date first written
above.

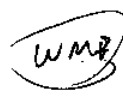
AGREED:

SACRAMENTO FAMILY GOLF CENTERS, INC.

By: 
Pamela S. Charles, Vice President
and General Counsel

E. CHASE ISRAELSON FAMILY REVOCABLE TRUST

By: 
E. Chase Israelson, Trustee

~~THE CHASE MANHATTAN BANK, AS AGENT~~ 

By: Billie J. Prue, Vice President

SO ORDERED

this ____ day of January, 2001

UNITED STATES BANKRUPTCY JUDGE

353947

IN WITNESS WHEREOF, the parties hereto duly executed
and delivered this Stipulation as of the date first written
above.

AGREED:

SACRAMENTO FAMILY GOLF CENTERS, INC.

By: _____
Pamela S. Charles, Vice President
and General Counsel

E. CHASE ISRAELSON FAMILY REVOCABLE TRUST

By: E. Chase Israelson
E. Chase Israelson, Trustee

~~THE CHASE MANHATTAN BANK, AS AGENT~~ *WMB*

By: _____
~~Billie J. Prue, Vice President~~

SO ORDERED

this ____ day of January, 2001

UNITED STATES BANKRUPTCY JUDGE

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